



## **IRISH LIFE INVESTMENT MANAGERS (ILIM)**

### ***The week that was – WEEK 48 (ending 27/11/2015)***

**“Whether you think you can or you think you can’t, you’re right.” – Henry Ford**

**3.8% increase in Irish disposable income** – The Central Statistics Office (CSO) said that nominal median annual disposable income increased to €18,210 in 2014, a 3.8% increase compared to 2013. However, on the other side of the coin, the ‘at risk of poverty’ rate in 2014 increased to 16.3% compared with 15.2% in 2013.

**Irish residential property prices up 1.6% in October** – Latest figures from the Central Statistics Office show residential property prices in Ireland grew 1.6% from September to October, their second fastest monthly rate this year. Dublin house property prices increased by 1% whereas there was a 2.1% rise outside Dublin.

**Eurozone PMIs point to fastest rate of GDP growth in over four years** – The latest purchasing managers’ index for the euro zone showed a reading in November of 54.4, up from 53.9 in October. A reading over 50 signifies growth. This is the fastest rate of expansion in 4½ years but is unlikely to slow further ECB liquidity.

**U.S. economic growth revised upwards to 2.1% for Q3** – The U.S. Commerce Department said that gross domestic product in the third quarter grew at a 2.1% annual rate, not the 1.5% rate it reported last month. This could help to give the Federal Reserve more confidence to raise interest rates next month, as many expect.

**Slowdown in U.K. economy during Q3** – Figures released by Office for National Statistics (ONS) show the gross domestic product (GDP) grew just 0.5% in the third quarter. This followed second-quarter growth of 0.7%. The annual figure is 2.3% higher than a year ago, compared to last year’s rapid 2.9% rate.

**Japanese unemployment rate at lowest in 20 years** – Latest government figures released show the jobless rate in Japan fell to 3.1% in October from 3.4% in September, hitting the lowest level since 1995. However household spending fell 2.4% in October from a year earlier, against market forecasts for a 0.1% rise.

**The Story of the week:** Germany has handed Athens the names of more than 10,000 of its citizens suspected of dodging taxes with holdings in Swiss banks. The inventory, with details of bank accounts worth €3.6bn, was given to the Greek finance ministry in an effort to help the country raise tax revenues as agreed by Greece with her creditors.

#### **DISCLOSURE:-**

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## Index Performances and Market Data\*

<b>Equity Markets % (in Local Currency)</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015 YTD (to 27/11)</b>
ISEQ Overall Return	-0.1	2.6	20.5	35.8	16.8	32.0
FTSE 100 TR	12.6	-2.2	10.0	18.7	0.7	0.0
Euro Stoxx 50 TR	-2.8	-14.1	18.1	21.5	4.0	13.5
S&P 500 TR	15.1	2.1	16.0	32.4	13.7	3.5
Nasdaq Composite	16.9	-1.8	15.9	38.3	13.4	8.3
Nikkei 225	-3.0	-17.3	22.9	56.7	7.1	13.9
MSCI Emerging Markets	11.7	-14.9	13.9	0.9	2.6	-5.8
MSCI World	7.8	-7.6	13.1	26.2	7.7	2.8
<b>Sovereign 10yr Bond Yields (%)</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015 YTD</b>
US	3.3	1.9	1.7	3.0	2.2	2.2
German	3.0	1.8	1.4	1.9	0.5	0.5
UK	3.4	2.0	1.9	3.0	1.9	1.8
Japan	1.1	1.0	0.7	0.7	0.3	0.3
Ireland	9.1	8.4	4.5	3.4	1.3	1.0
Italy	4.8	7.1	4.6	4.1	2.1	1.4
Greece	12.5	31.7	12.7	8.2	9.6	7.1
Portugal	6.6	13.4	6.9	6.1	2.7	2.3
Spain	5.5	5.1	5.4	4.1	1.6	1.5
<b>Central Bank Rates (%)</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015 YTD</b>
ECB	1	1	0.75	0.25	0.05	0.05
Bank of England	0.5	0.5	0.5	0.25	0.50	0.50
US Federal Reserve	0.25	0.25	0.25	0.25	0.25	0.25
<b>Foreign Exchange Rates</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015 YTD</b>
Euro/Dollar (€/\$)	1.34	1.30	1.31	1.37	1.21	1.06
Euro/Sterling (€/£)	0.86	0.83	0.81	0.83	0.78	0.70
Sterling/Dollar (£/\$)	1.56	1.55	1.61	1.65	1.56	1.50
<b>IPD All Property Return (%)</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015 YTD</b>
Ireland	-2.4	-2.4	3.1	12.7	40.1	10.9 (Q 2)
UK	14.5	8.1	2.7	10.7	17.8	6.5 (Q 2)
US	14.8	14.5	5.3	11.4	11.2	7.2 (Q 2)

\*Past performance is not a reliable guide to future performance